## EXPOSURE FEE ADVICE SAUDI ARABIA

## **PRIVATE SECTOR CREDITS**

EXPOSURE FEE LEVEL 2

	EXPOSURE	FEE LEVEL	2						
A. SOVEREIGN (e.g., Finance Ministry Guarantee):			TRANSACT	ION RISK II	NCREME	NT: Se	e Public	Sector Cha	art
B. POLITICAL ONLY COVER:	TRANSACTION RISK INCREMENT: -1								
C1. BORROWERS/GUARANTORS with RATED/TRADE	D CROSS BOR	DER (HARD	CURRENCY	() DEBTS:					
TRANSACTION RISK INCREMENT:		0 0	1	ı :	2	3	4	5	5
LONG-TERM (S&P, others)	AA+,AA,AA	A+,A,A	BBB+,BBB	BBB	- BB+	-,BB	BB-	B+,B	В-
LONG-TERM (Moody's)	Aa1,Aa	2 A1,A2,A3	Baa1,Baa2	Baa:	3 Ba1,	Ba2	Ba3	B1,B2	В3
SHORT-TERM (S&P, others)	A-1	+ A-1	A-2	? A-:	3	В		С	
SHORT-TERM (TBW)	TBW-	1 TBW-2	TBW-3	TBW-	4				
SHORT-TERM (Moody's)		P-1	P-2	P-	3				
SPREAD (bp) over T-YIELD <	4	0 70	140	250	)	400	600	900	1500
SPREAD (bp) over LIBOR <	1	0 40	90	22	0	370	570	870	1470
C2. BORROWERS/GUARANTORS with INTRA-COUNT	RY (LOCAL CU	RRENCY) RA	ATINGS:						
TRANSACTION RISK INCREMENT:		1 1	1	<u> </u>	2	3	4	5	5
LONG-TERM (S&P, TBW)	AA+,AA,AA	Α- A+,A,A-	BBB+,BBB	BBB	- BB+	-,BB	BB-	B+,B	B-
LONG-TERM (Moody's)	Aa1,Aa	2 A1,A2,A3	Baa1,Baa2	Baa:	3 Ba1,	Ba2	Ba3	B1,B2	В3
SHORT-TERM (S&P, others)	A-1	+ A-1	A-2	2 A-:	3	В		С	
SHORT-TERM (Moody's)		P-1	P-2	P-	3				
FINANCIAL STRENGTH (Moody's)	Α/	В В	B/C	;		C/D	D	D/E	E
INTRA-COUNTRY ISSUER (TBW)	IC A	B IC E	B IC B/C	C IC (	C IC	C/D IC	D IC	D/E	IC E
INDIVIDUAL (IBCA)	A/	В В	B/C	; (		C/D	D	D/E	Е
INDIVIDUAL (Capital Intelligence)	AA+,AA,AA	A- A+,A,A-	BBB+,BBB	BBB	- BB+	-,BB	BB-	B+,B	B-
D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA	NCIAL INSTITU	JTIONS:			*TRANSA	CTION RI	ISK INCRE	EMENT:	1
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTH	ER THAN FINA	NCIAL INSTI	TUTIONS:		*TRANSA	CTION RI	ISK INCRE	EMENT:	2
E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN	ISTITUTION:			MAXIMUM	TRANSA	CTION RI	ISK INCRE	EMENT:	1
F1. UNRATED BORROWERS/GUARANTORS OTHER T	HAN FINANCIA	AL INSTITUTI	<u>ons</u>						
DEBT TO TANGIBLE NET WORTH				<1X	<2X	<3X	<4X	<6X	>6X
					TRANS	ACTION F	RISK INCR	REMENT:	
			>25%	1	1	2	3	4	5
OPERATING			>20%	1	2	3	4	5	5
CASH FLOW (2-YEAR AVERAGE)			>15%	2	3	4	5	5	5
TO			>10%	3	4	5	5	5	5
DEBT			>5%	4	5	5	5	5	5
			>0%	5	5	5	5	5	5
			<0%	5	5	5	5	5	5
F2. UNRATED FINANCIAL INSTITUTION BORROWERS	/GUARANTOR	<u>S:</u>							
TRANSACTION RISK INCREMENT:				1	2	3	4	5	5
SHAREHOLDER'S EQUITY TO ASSETS				>8%	>7%	>6%	>5%	>4%	<4%
NET INCOME TO ASSETS (2-YEAR AVERAGE)				>2.5%	>2.0%	>1.5%	>1.0%	>0.5%	<0.5%
BORROWED FUNDS TO NET LOANS				<40%	<60%	<80%	<100%	<120%	>120%
LIQUID ASSETS TO ASSETS				>25%	>20%	>15%	>10%	>5%	<5%
RESERVES TO NON-PERFORMING ASSETS				>200%	>175%	>150%	>125	>100	<100%
* MAY NOT APPLY IF A TRANSACTION RISK INCRE	EMENT HAS BE	EN PRE-APF	PROVED				Effec	tive: 01	/08/2007

## EXPOSURE FEE ADVICE SAUDI ARABIA

## **PUBLIC SECTOR CREDITS**

**EXPOSURE FEE LEVEL** 2

A. SOVEREIGN (e.g., Finance Ministry Guarantee):	TRANSACTION RISK INCREMENT: 0								
B. POLITICAL ONLY COVER:	TRANSACTION RISK INCREMENT: See Private Sector				Sector Ch	art			
C1. BORROWERS/GUARANTORS with RATED/TRADED	CROSS BORDE	ER (HARD C	CURRENCY	) DEBTS:					
TRANSACTION RISK INCREMENT:	0	0	1		2	3	4	5	5
LONG-TERM (S&P, others)	AA+,AA,AA-	A+,A,A-	BBB+,BBB	BBB	– — I- BB+	 -,BB	BB-	B+,B	B-
LONG-TERM (Moody's)	Aa1,Aa2	A1,A2,A3	Baa1,Baa2				Ba3	B1,B2	В3
SHORT-TERM (S&P, others)	A-1+	A-1	A-2			В		C	
SHORT-TERM (TBW)	TBW-1	TBW-2	TBW-3	TBW-	4				
SHORT-TERM (Moody's)		P-1	P-2	P-	3				
SPREAD (bp) over T-YIELD <	40	70	140	25	0	400	600	900	1500
SPREAD (bp) over LIBOR <	10	40	90	22	0	370	570	870	1470
C2. BORROWERS/GUARANTORS with INTRA-COUNTR	Y (LOCAL CURR	ENCY) RA	TINGS:						
TRANSACTION RISK INCREMENT:	0	0	1		2	3	4	5	5
LONG-TERM (S&P, TBW)	AA+,AA,AA-	A+,A,A-	BBB+,BBB	BBB	- BB+	-,BB	BB-	B+,B	B-
LONG-TERM (Moody's)	Aa1,Aa2	A1,A2,A3	Baa1,Baa2	Baa	3 Ba1,	Ba2	Ba3	B1,B2	В3
SHORT-TERM (S&P, others)	A-1+	A-1	A-2	A-	3	В		С	
SHORT-TERM (Moody's)		P-1	P-2	P-	3				
FINANCIAL STRENGTH (Moody's)	A/B	В	B/C	(		C/D	D	D/E	Е
INTRA-COUNTRY ISSUER (TBW)	IC A/B	IC B	IC B/C	IC (	C IC	C/D IC	D IC	D/E	IC E
INDIVIDUAL (IBCA)	A/B	В	B/C	(	0	C/D	D	D/E	E
INDIVIDUAL (Capital Intelligence)	AA+,AA,AA-	A+,A,A-	BBB+,BBB	BBB	- BB+	-,BB	BB-	B+,B	B-
D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINAN	ICIAL INSTITUTION	ONS:			*TRANSA	CTION R	SK INCRE	MENT:	0
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE	R THAN FINANC	IAL INSTIT	UTIONS:		*TRANSA	CTION R	SK INCRE	MENT:	1
E. UNRATED LARGEST (PROFITABLE) FINANCIAL INSTITUTION:  MAXIMUM TRANSACTION RISK INCREMENT:						MENT:	1		
F1. UNRATED BORROWERS/GUARANTORS OTHER TH	IAN FINANCIAL I	NSTITUTIO	<u>NS</u>						
DEBT TO TANGIBLE NET WORTH				<1X	<2X	<3X	<4X	<6X	>6X
					TRANSACTION RISK INCREMENT:				
OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT		_	25%	1	1	2	3	4	5
		>20%		1	2	3	4	5	5
		>15%		2	3	4	5	5	5
		>10%		3	4	5	5	5	5
		>5%		4	5	5	5	5	5
			>0%	5	5	5	5	5	5
			<0%	5	5	5	5	5	5
F2. UNRATED FINANCIAL INSTITUTION BORROWERS/	GUARANTORS:								
TRANSACTION RISK INCREMENT:				1	2	3	4	5	5
SHAREHOLDER'S EQUITY TO ASSETS				>8%	>7%	>6%	>5%	>4%	<4%
NET INCOME TO ASSETS (2-YEAR AVERAGE)				>2.5%	>2.0%	>1.5%	>1.0%	>0.5%	<0.5%
BORROWED FUNDS TO NET LOANS				<40%	<60%	<80%	<100%	<120%	>120%
LIQUID ASSETS TO ASSETS				>25%	>20%	>15%	>10%	>5%	<5%
RESERVES TO NON-PERFORMING ASSETS				>200%	>175%	>150%	>125%	>100%	<100%
* MAY NOT APPLY IF A TRANSACTION ICRAS RATII	NG HAS BEEN PI	RE-APPRO	VED				Effective	: 01/	/08/2007